



2004 Annual Report of the Environmental Finance Center Network

Region 1 – New England Environmental Finance Center at University of Southern Maine

The University of Southern Maine was established in 2000 as the Region 1 New England Environmental Finance Center

INTRODUCTION

The EFC at the University of Southern Maine (NE/EFC) serves the six New England states (U.S. EPA Region 1). The purpose of the NE/EFC is to further the joint goals of the U.S. EPA and the Muskie School of researching, publishing, and extending creative approaches to environmental protection and management, especially respecting the associated “how-to-pay” questions. In particular, the Center works to advance the understanding and practice of “smart growth” throughout New England; in building local capacity to deal with related issues; and in developing and applying techniques that go “beyond compliance” with government regulations.

The NE/EFC at the University of Southern Maine, housed in the Muskie School of Public Service, has a primary focus on land use and conservation issues. The NE/EFC began its activities 2001, and has undertaken a broad range of initiatives in the intervening four years. Calendar year 2004 was a period of considerable activity in numerous areas.

ACCOMPLISHMENTS

NEXT COMMUNITIES INITIATIVE

From model ordinances to financial instruments, a wide variety of smart growth tools are now available to local land use decision makers and stakeholders. Among the primary lessons of the NE/EFC experience is not that people are generally unfamiliar with these tools and the principles on which they are based; rather, the problem arises when people try to implement them at the local level. In other words, the real obstacles to smart growth in New England are not technical or knowledge-based, but attitudinal, institutional, and ultimately political in nature. This observation led the NE/EFC, in collaboration with EPA Region 1, to create the Next Communities Initiative (NCI), to address the effective use and implementation of Smart Growth Principles and tools at the local government level. NCI is training motivated community leaders and lay planners to make smart growth-oriented change happen in their cities and towns.

The first step, in calendar year 2004, was development of a 3-day Interactive and case-based workshop series to help concerned citizens to 1) learn that change toward more sustainable land use is both desirable and possible; 2) gain an understanding of the intricacies and subtleties of local government and politics; and 3) explore obstacles to smart growth and how they may be overcome at the local level. In fall 2004, the NE/EFC conducted two pilot workshops in collaboration with partner organizations in northern and southern New England (Maine, Massachusetts and Rhode Island). The pilot workshops were evaluated as extremely successful by participants. The next expected step is a “Train the Trainer” program and workshops series, including a complete training manual to be posted on the NE/EFC website.

The curriculum now exists as three eight-hour, highly interactive and experiential sessions:

Session One: Participants come to understand “sprawl” not as a technical problem, but as (in Maine terms) a “wicked” problem – one that is ill- and variously-defined, features a lack of consensus on its causes, and lacks obvious solutions that don’t involve challenging trade-offs and (often) fierce, value-based opposition. Participants gain insights to become informed leaders in the discussion of sprawl, and advocates of solutions that seek a wider public good without undue injury to private interests and concerns. Participants leave the session with a mindset that smart growth is an objective worthy of pursuit, and ready to explore how to navigate change through the local political system.

Session Two: This session educates individuals about local government processes, both formal and informal. It helps those interested in changing local land use policies understand the twists and turns of local government, what motivates and constrains it, how to mobilize and support the town's opinion leaders and citizens, and how to navigate the system to effect change.

Session Three: Conflict most often attends change. This session teaches community leaders basic skills to deal constructively with conflict over both basic values and perceived interests. It prepares them to treat both personal and social conflict in the community setting. It also includes a final capstone game where the skills, ideas, and information learned in the previous sessions are applied to a practical case.

Building on the successful delivery of the first set of workshops, the NE/EFC aims to move the NCI curriculum into a train-the-trainer format. By equipping organizations with these curriculum materials and a comprehensive instructor's manual, it should be possible to reach a broader audience and make a substantial contribution to smart growth-oriented local land use change.

WATER PROGRAM

In 2004 the NE/EFC initiated a program in water-related finance and outreach programming.

The first event of the year was in March, in which the NE/EFC brought drinking water-related technical assistance providers together to 1) discuss services currently provided to small water systems in Maine; 2) identify unmet needs of the community of technical assistance providers; and, 3) collaborate on ways to address these needs. This was done in collaboration with the Region 2 EFC.

A subsequent task was to provide an evaluation of stormwater finance options for a group of municipalities working collaboratively under an interlocal stormwater agreement. The report from this effort is publication #04-05 at <http://efc.muskie.usm.maine.edu/docs>.

Other efforts included development of an online directory of watershed funding sources for Region 1, in collaboration with the Region 10 EFC and the EPA Office of

Wetlands, Oceans, and Watersheds. This directory, which will function in concert with an existing directory for Region 10, will be available online in 2005.

Other water-related initiatives under development in 2004 included investigation of software training needs in basic financial management for water system managers; organization of several utility finance meetings and conferences for the first half of 2005; and developing a beach closure finance workshop series with EPA Region 1 for early 2005.

IMPLEMENTATION OF RECOMMENDATIONS TO STRENGTHEN MAINE'S RURAL ECONOMY AND THE NATURAL RESOURCES-BASED INDUSTRIES ON WHICH THEY ARE BASED

In 2004 the NE/EFC provided chairmanship of a “Steering Committee to Oversee Implementation of Recommendations from the Blaine House Conference on Maine's Natural Resource-based Industries.” The November 2003 Blaine House Conference produced 75 recommendations for action in the agriculture, aquaculture, forestry, fisheries, and tourism sectors that are the foundation of Maine's rural economy and landscape. As documented in its December 2004 report to the Governor (which can be viewed at <http://www.state.me.us/spo/natural/gov>), the Steering Committee oversaw significant progress on implementation of 60 of these recommendations by the Executive agencies directly responsible.

BLAINE HOUSE CONFERENCE ON THE CREATIVE ECONOMY

In 2004 the NE/EFC served on the steering committee (and as the guiding force) for a “Blaine House Conference” on the Creative Economy, the goal of which was to create an action plan to maximize contributions of the creative arts and artists to the revitalization of Maine's service centers and downtowns. The NE/EFC also led the development of a pathbreaking report describing measurement and analysis of the creative economy in Maine, available as publication #04-02 at <http://efc.muskie.usm.maine.edu/pubs.htm>.

CHANGING MAINE, 1960 - 2010

In 2004 the NE/EFC published a book: “Changing Maine, 1960-2010,” designed to formulate and give circulation to a new, basic understanding of Maine and its place in the world today, and to guide civic life and dialogue in the coming decade. The focus of each chapter is on policy and policymaking as they have exerted influence on

events. Topics addressed include energy, the environment, land use and sprawl, forestry, agriculture, and fisheries, and many others. Chapters are based on lectures from a series broadcast by Maine Public Radio to a listening audience of approximately 15,000 persons in Atlantic Canada, Maine, New Hampshire, and northern Massachusetts. The book summary can be viewed as publication #04-05 at <http://efc.muskie.usm.maine.edu/pubs.htm>.

LAND USE LAW PROVISIONS

In 2004 the NE/EFC published “Some model amendments to Maine (and other states’) land use control legislation” in *Maine Law Review*. This document is available as publication #04-06 at <http://efc.muskie.usm.maine.edu/pubs.htm>. It emanated directly from the NE/EFC’s roundtable discussions in 2002 and is designed to address the legal obstacles to smart growth identified by roundtable participants. Also the NE/EFC assisted (and continues to assist into 2005) the Community Preservation Advisory Committee of the Maine Legislature, GrowSmart Maine, and others in researching options for a legislative agenda based upon these model amendments.

LAND FOR MAINE’S FUTURE EVALUATION

In 2004 the NE/EFC released a report evaluating the State of Maine’s “Land for Maine’s Future” program (LMF), which had spent \$85 million in state bond proceeds for open space acquisition and protection. The report found the LMF program to be well-conceived, wisely administered, and widely supported among citizens. Participants and observers from across the state agreed that its mission and practices are solidly grounded; that it has avoided becoming politicized; and that it has evolved thoughtfully to respond to new understandings of the role of land conservation and economic development in Maine. The general perception is that LMF well and truly serves the people of Maine. In general, it was observed to be a fine example of a public *learning organization*: open and transparent in its processes; welcoming of public participation and input; careful and strategic in its investment of public monies to optimize among the highest public values; and reflective and adaptive to changing circumstances and public needs.

The NE/EFC evaluation concluded that Maine land conservation especially under LMF is rightly to be viewed as a *basic infrastructure investment* in the future of Maine’s environment, economy, and cultural heritage. Like our rail and highway

systems, it is a foundation upon which coming generations of Maine people will build their economy and culture, to reflect Maine values, needs, priorities, and diversity. To realize the greatest return on this investment, Maine people might best regard the LMF not as an end in itself, but as a tool or instrument of their larger, abiding purposes: sustainable economic development, environmental stewardship, and community building. The NE/EFC observed that there continues to be urgent need for a state-funded land conservation effort in Maine, for which there is broad public support; that LMF both deserves and needs to continue its efforts for the foreseeable future; and that new funding is needed at this time, to continue this important effort. The LMF report is available as publication #04-01 at <http://efc.muskie.usm.maine.edu/pubs.htm>.

GIS INVENTORY OF PROTECTED LANDS DATA

In 2004 the NE/EFC developed most of a Geographic Markup Tool to allow online upgrades to conservation lands data sets. Moving into the beginning of 2005, complementary applications and analysis products are being incorporated into the tool, to contribute to the establishment of a unified framework for capturing conservation lands data in Maine and EPA Region 1 as a whole. The NE/EFC will work with government agencies and spatial technology firms to develop technical and data partnerships applicable to conservation lands data capture in EPA Region 1.

OTHER EFFORTS

- Continued development of an online course in conservation finance, which will be made available online in 2005.
- Continued a scoping effort for costs of sprawl database for New England. Held several planning meetings, reviewed literature, and formulated an approach and timeline for producing deliverables.
- Continued an inventory of state innovations in smart growth policy in New England. Contacted numerous program administrators in each New England state, began writing a document that will provide state policymakers a reference tool.
- Continued work on a smart growth video project, including providing staff support to the filming of interviews and scheduling filming days for case study projects.

- Began work on the “Forum on Residential Density”, including identifying expert categories for the Directorate to be convened, and revising a document that will be used to launch the Forum.
- Through teleconferences and work on joint documents, served on several workgroups for EPA’s Environmental Finance Advisory Board.

APPENDIX 1

OUTPUT MEASURES FOR CALENDAR YEAR 2004

We use three categories of output measures, according to EPA’s “Measurement Fact Sheet” at: www.epa.gov/region09/funding/rcra_measurements.html. These categories are activities, outcomes, and impacts. We expanded the second category to include outcomes specific to the type of work we do in Region 1.

ACTIVITIES

Media produced

Books and Articles posted on our website (<http://efc.muskie.usm.maine.edu/pubs.htm>).

1. *Land for Maine's Future Program: Increasing the Return on a Sound Public Investment* (#04-01; Executive Summary; Full Report).
2. *The Creative Economy in Maine: Measurement and Analysis* (#04-02).
3. *Changing Maine: 1960 - 2010* (#04-03).
4. *Smart Growth, State Policy and Public Process in Maine: the Dunstan Crossing Experience* (#04-04).
5. *Stormwater Utility Fees: Considerations & Options for Interlocal Stormwater Working Group* (#04-05).
6. *Some model amendments to Maine (and other states') land use control legislation* (#04-06).

Workshops held

Freeport, Maine. Organized a meeting of 15 drinking-water related technical assistance providers in Maine to discuss the services that are currently provided to small water systems in Maine; to identify unmet needs; and to identify ways to address these needs. Worked in collaboration with the EFC in Region 2 (Kim Farrell from Syracuse University attended and gave a presentation).

Portland, Maine. Through efforts of a Muskie School graduate student working with the Finance Center, the NE/EFC organized, hosted, and presented at the conference “Using Sustainable Development as a Tool for Responsible Decision Making: A Land Use Perspective.” Over 100 people attended including planning board members, town planners, architects, developers, transportation planners, and leaders from civic and environmental non-profits (4/8/04)

Southwest Harbor, Maine. Moderated a forum and facilitated a public input session, on the question of how much recreational use will be allowed on newly acquired conservation lands (for the Appalachian Mountain Club, 10/2/04).

Portland, Maine. Spoke about Working Waterfronts and moderated a forum titled “Development, conservation, and preservation of land and buildings: strategies for successful co-existence”. (Greater Portland Neighborhoods Coalition, 12/8/04).

Portland, Maine. Moderated a forum titled “Sprawl: It’s not just a Cumberland County phenomenon”. (Greater Portland Neighborhoods Coalition, 12/8/04).

Augusta, Maine. Moderated a forum titled “Getting to Regionalization” (Grow Smart Maine Summit, 12/10/04).

Other (media events, press releases, etc.)

Regular postings of events and publications on our website.

Outcomes

Customer satisfaction/awareness

Reports from events we coordinated or assisted with in 2004 were generally outstanding. For example, in one review from a conference where we spoke and moderated several sessions (Greater Portland Neighborhoods Conference, Portland, Maine), we heard “overwhelming accolades for directing a large group of people through a seamlessly delivered performance.” Similarly, another group we assisted wrote us this note: “Your work at the annual meeting was a significant turning point for the organization. The survey you devised and the way you presented it made it easy for AMC Maine Chapter annual meeting participants to express their position on wilderness protection. The results were clear, important and significant.”

Changes in customer behavior

Our work would not generally result in trackable behavior changes (see note under ‘Impacts’ below).

Improved regulatory compliance

Similarly, our work to date has had little to do directly with compliance issues.

Improved legislation with respect to land use

See “*Media produced*” above. In 2004 we appeared before the Community Preservation Advisory Committee of the Maine Legislature to describe the land use law provisions we proposed. Discussions about how these provisions might be further improved are ongoing.

Number of smart growth-oriented technical assistance responses provided

Eleven technical assistance responses were provided to individuals or organizations requesting assistance or information about finance or planning of smart growth-oriented projects in New England.

Impacts

Note: The NE/EFC does not focus on achieving the types of impacts given as examples in an EPA fact sheet on outcome measures (recycling, solid waste reduction, and energy conservation; at: www.epa.gov/region09/funding/rcra_measurements.html). Our work is focused on reducing sprawl, so impacts of our activities are about encouragement of good development and preventing bad development. For example we help identify and recommend modifications in land use policy at the state level. Impacts of some of these changes might only be observable as a decline in the number of standard subdivisions in the state over a long period of time. Thoroughly quantifying these impacts would require years and a study design capable of separating out many nested influences. Our view is that an annual estimate of “planning outcomes” is not a realistic goal, because results of systemic changes in land use planning and policy take much longer than one year to transpire, track, and interpret.

With this caveat understood, below are our broad estimations of the types of impacts (benefits) that our 2004 activities may have had.

1. A clearer understanding of tradeoffs involved in choosing various methods for financing stormwater utilities.
2. A clearer understanding of the need for public investment in open space acquisition.
3. A wider understanding of the role that the creative economy has in supporting downtown revitalization efforts.
4. A broader understanding of the social, political, and other changes that have transpired in Maine in the last 40 years and how they should shape current policy discussions.
5. A broader understanding among land trusts and other conservation groups of the need for incorporation of growth-related criteria in their land acquisition prioritization systems.
6. Similarly, a wider understanding of the role that a vibrant natural resource-based economy plays in the protection of the landscape, the restraint of sprawl, and the promotion of smart growth.

7. A greater chance that novel, comprehensive innovations in land use law might be adopted in Maine and throughout New England.

Summary

We feel that in the categories of activities, outcomes, and impacts, we are progressing toward the goals of the NE/EFC and contributing in a tangible way to the goals of the EFCN.